

Committee on the Budget • Majority Caucus U.S. House of Representatives Jim Nussle, Chairman

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olume 3. Number 29

Summarizing budgetary issues in legislation scheduled for the House floor

27 October 2003

Week of 27 October 2003

### SUSPENSION CALENDAR

1) To Reauthorize Certain School Lunch and Child Nutrition Programs for Fiscal Year 2004 (H.R. 3232).



This bill extends for 1 year the provisions in the Child Nutrition Act, the Richard B. Russell National School Lunch Act, and the Commodity Distribution Reform Act, which provide low-income children access to safe and nutritious food in school, after school, and during the summer months. These are mandatory spending programs; but the bill reauthorizes them at baseline levels, so it will not increase direct spending.

2) Recognizing Independent 529 Plan for Launching a Prepaid Tuition Plan That Will Benefit Our Nation's Families Who Want to Send Their Children to Private Colleges and Universities (H.Res. 378).



This resolution has no budget implications.

increases direct spending nor reduces revenue.

3) Recognizing the Importance of Chemistry to Our Everyday Lives and Supporting the Goals and Ideals of National Chemistry Week (H.Res. 395). This resolution has no budget implications.



4) Recognizing the Significance of the Anniversary of the American Association for the Advancement of Science Congressional Science and Engineering Fellowship Program, and Reaffirming the Commitment to Support the Use of Science in Governmental Decision Making Through Such Program (H.Con.Res. 279). This resolution has no budget implications.

5) Federal Employee Student Loan Assistance Act (S. 926). This bill revises the Federal student loan repayment program to increase the limits on the amount of student loans that agencies may repay on behalf of eligible employees. At present, agencies may offer each employee up to \$6,000 a year for student loan repayments, and the total amount of repayment available to any employee is limited to \$40,000. This legislation increases the yearly limitation on such repayments to \$10,000, and raises the individual

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limitation to \$60,000. Funds for the repayments come from appropriated accounts. The bill neither

PLEASE NOTE: This document addresses budgetary issues only. It should not be taken to address support or opposition on any other grounds. A green flag indicates no serious budgetary or budget compliance concerns. A yellow flag indicates moderate or potential problems. A red flag indicates serious problems. Also note: Floor schedules and legislative details are subject to change after publication.

This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and therefore may not reflect the views of all the committee's members.

6) Richard D. Watkins Post Office Building Designation Act (H.R. 3175). This bill neither increases direct spending nor reduces revenue.



7) Ben R. Gerow Post Office Building Designation Act (H.R. 3234). This bill neither increases direct spending nor reduces revenue.

8) David Bybee Post Office Building Designation Act (H.R. 2744). This bill neither increases direct spending nor reduces revenue.



9) Expressing Deep Gratitude for the Valor and Commitment of the Members of the United States Armed Forces Who Were Deployed in Operation Restore Hope to Provide Humanitarian Assistance to the People of Somalia in 1993 (H.Con.Res. 291). This resolution has no budget implications.

10) A Bill to Extend the Authority for the Construction of a Memorial to Martin Luther King, Jr. (S. 470).



This bill extends, until 12 November 2006, the authority to construct a memorial to Martin Luther King, Jr., on Federal lands in Washington, DC. The extension gives the Alpha Phi Alpha Fraternity Inc. (the site's sponsor) an additional 3 years to obtain the necessary funds and complete the project. This bill neither increases direct spending nor reduces revenue.

11) Expressing the Sense of the Congress Regarding the Imposition of Sanctions on Nations That Are Undermining the Effectiveness of Conservation and Management Measures for Atlantic Highly Migratory Species, Including Marlin, Adopted by the International Commission for the Conservation of Atlantic Tunas and That Are Threatening the Continued Viability of United States Commercial and Recreational Fisheries (H.Con.Res. 268). This resolution has no budget implications.

12) To Extend the Term of the Forest Counties Payments Committee (H.R. 3249). This bill extends, through 30 September 2007, the authorization for the Forest Counties Payments Committee. This committee develops recommendations regarding methods to ensure States and counties with federally owned land receive adequate Federal payments that may be used for public education and other public purposes. This bill neither increases direct spending nor reduces revenue.

13) Martin Luther King, Junior, National Historic Site Land Exchange Act (H.R. 1616). This bill authorizes the National Park Service to acquire, by exchange, land for the Martin Luther King, Jr. National Historic Site. The new authority allows it to exchange a small parcel of land owned by the service for a parcel owned by the city of Atlanta. The newly acquired tract may be used for access to the historic site. This bill neither increases direct spending nor reduces revenue.

14) Repudiating the Recent Anti-semitic Sentiments Expressed by Dr. Mahathir Mohamad, the Outgoing Prime Minister of Malaysia, Which Makes Peace in the Middle East and Around the World More Elusive (H.Res. 409). This resolution has no budget implications.

15) Compact of Free Association Amendments Act of 2003 (H.J.Res. 63). This joint resolution amends the Compact of Free Association Act of 1988 and subsidiary agreements between the United States and the Republic of the Marshall Islands [RMI] and the Federated States of Micronesia [FSM]. H.J. Res. 63 provides financial assistance for RMI and FSM for the next 20 years. As modified, this bill slightly exceeds the Resources Committee's allocation for fiscal year 2004, but is within the allocation over 5 years.

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**Budget Week** Page 2 As originally reported by the Committee on Resources (the bill also was reported by the Committees on Judiciary and International Relations), this bill cost \$57 million in fiscal year 2004 and \$310 million over 5 years. Although funding for the Compact was assumed in the budget resolution, the reported measure would have exceeded the Resources Committee's 302(a) allocation by \$33 million in fiscal year 2004, in violation of section 302(f) of the Budget Act, which prohibits measures in excess of the reporting committee's allocation. The overage was the result of a provision that converted education formula grants from appropriations into direct spending – spending not controlled through the appropriations process.

At the Budget Committee's request, the bill has been modified to reduce its cost by approximately \$29 million in fiscal year 2004 and \$151 million over 5 years. The savings result from the elimination of the mandatory education program (these education funds are still provided, but through annual appropriations). Although the revised bill slightly exceeds the fiscal year 2004 allocation, by \$4 million, in violation of the Budget Act, it is within the 5-year allocation. Although an estimate has not been completed for the revised bill, it is expected to increase direct spending by around \$28 million in fiscal 2004 and \$159 million over 5 years.

# 16) Basic Pilot Extension Act of 2003 (H.R. 2359).



The Bureau of Citizenship and Immigration Services and the Social Security Administration administer three pilot programs to assist employers in confirming the eligibility of prospective employees to work in the United States. The programs provide employers with software, training, and access to databases to determine work eligibility. Under current law, one pilot program expires at the end of 2003, and the other two end in 2005. H.R. 2359 extends each program by 5 years and expands the basic program to all 50 States. The bill neither increases direct spending nor reduces revenue.

17) Veterans Health Care Facilities Capital Improvement Act (H.R. 1720).



This bill authorizes appropriations for construction projects and the leasing of two medical facilities by the Department of Veterans Affairs.

18) National Cemetery Expansion Act of 2003 (H.R. 1516).



This bill establishes new national cemeteries for deceased veterans in southeastern Pennsylvania, and the areas of Birmingham, AL, Jacksonville, FL, Bakersfield, CA, Greenville/Columbia, SC, and the Sarasota County, FL. This bill neither increases direct spending nor reduces revenue.

## 19) Fallen Patriots Tax Relief Act (H.R. 3365).

This bill increases, from \$6,000 to \$12,000, the

"death gratuity" that is paid to deceased members of the Armed Forces. The bill also excludes such gratuity from gross income for purposes of paying income tax. The gratuity would be paid from appropriated funds, and so no direct spending is associated with the bill. The magnitude of the tax exclusion is unclear, but the Budget Committee believes it would not cause level of revenue to be less than that provided for in the budget resolution. Therefore, though an estimate is unavailable, the committee believes this bill does not violate the Congressional Budget Act.

## **LEGISLATION CONSIDERED UNDER A RULE**

Coast Guard Authorization Act of 2003 (H.R. 2443) Bill:



Committee: Transportation and Infrastructure

**Summary:** H.R. 2443 authorizes appropriations for United States Coast Guard operating expenses,

acquisitions and other capital projects, research activities, and bridge alterations. The bill

also authorizes funding for the Federal Maritime Commission for 2004.

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**Budget Week** Page 3 The bill authorizes appropriations for Coast Guard retirement benefits in 2004, though those benefits – which are entitlements under current law – have permanent spending authority. The bill also authorizes appropriations to the Secretary of Transportation for a national maritime enhancement institute for the Great Lakes region. The bill also allows the Secretary to carry out a demonstration project on dual-use technologies for commercial shipping and port operations.

Cost:

H.R. 2443 authorizes the appropriation of about \$6.1 billion for programs administered by the U.S. Coast Guard and the Federal Maritime Commission for fiscal year 2004. The bill increases direct spending by \$2 million annually, because it allows the Coast Guard to spend more of the user fees it currently collects. The legislation could result in lower future revenue from recoveries of oil spill costs, but the level would be nominal.

**Budget Act:** 

Though the bill increases direct spending by \$2 million in fiscal year 2000, and by \$10 million over 5 years, the budget resolution (H.Con.Res. 95) provided the Committee on Transportation and Infrastructure with \$2.9 billion in 2004 and \$34.7 billion over 5 years for increases in mandatory spending. That new budget authority was assumed to be used for transportation programs, but the committee may choose other purposes, as long as it does not spend more than its allocation in fiscal year 2004 or over 5 years. Because this bill does not cause a breach of the allocation, it does not violate the Congressional Budget Act.

Prepared by ...... The Committee on the Budget